FAS RELEASE

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Foreign Agricultural Service
Washington, D.C. 20250

WEEKLY ROUNDUP OF WORLD PRODUCTION AND TRADE WR-17-81

WASHINGTON, April 29--The Foreign Agricultural Service of the U.S. Department of Agriculture today reported the following recent developments in world agriculture and trade:

Grain And Feed

SOVIET seeding of small grains and pulses as of April 20 reached 10.7 million hectares. The currrent season's seeding pace is lagging behind the 1976-79 average for this day by about 4 million hectares, but is considerably ahead of last spring's estimated seeded area of only 3.8 million hectares.

A mild winter and indications of an early spring raised expectations that the Soviets would seed spring crops very rapidly. However, excessive moisture conditions prevalent throughout last season continued into the spring, and despite a drying trend, fields remained too wet for early and rapid seeding to take place. Recent cool temperatures and rainfall have further slowed the seeding pace. With the majority of spring grain and pulse crop area left to be seeded, seeding rates could accelerate quickly if the weather improves.

The 1976-79 average and the 1980 and 1981 seeding pace by a given date are as follows in millions of hectares.

	1976-79 average	1980 estimate	1981
April 13	8.9	2.0	7.8
April 20	15.0	3.8	10.7

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In SPAIN, fairly steady rainfall in recent weeks appears to have improved somewhat the outlook for barley and wheat production. The northern provinces, where most of Spain's barley is produced, have benefited the most from this rainfall, which has at least temporarily eased the impact of the prolonged drought. However, southern Spain, which produces about 25 percent of all the wheat and 50 percent of the Durum output, still is suffering from inadequate soil moisture reserves. Given the improvement in the north, total wheat and barley may drop by somewhat less than previously forecast.

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MARY FRANCES CHUGG, Editor. Tel: (202) 447-3370, 447-2381. Weather and Crop Summary prepared by the Joint Agricultural Weather Facility of USDA and NOAA. Tel: (202) 447-8760, 447-7917. Additional copies may be obtained from the FAS Information Services Staff, Room 5918-South, Washington, D.C. 20250. Tel: 447-7937.

DAIRY, LIVESTOCK AND POULTRY

The EUROPEAN COMMUNITY (EC) Commission has fixed gate prices and basic levies for eggs, poultry meat and albumen effective May 1. The net effect reflects the modification in the standard amounts and processing coefficients in accordance with the creation of a new category for turkeys (73 percent), which also becomes effective May 1, as well as changes in the grain base reflecting world price changes.

For whole turkeys and turkey breasts, drumsticks and thighs (80 percent), the sluicegate price increased 10.9 percent and basic levies increased 21.5 percent. For whole turkeys and turkey halves and quarters (73 percent), sluicegate prices increased 21.5 percent and basic levies increased 15.8 percent.

OILSEEDS AND PRODUCTS

ARGENTINA rescinded the 12-percent export tax on April 15 that had been announced earlier in the month (April 3) for peanuts for crush. The 2-percent export tax on confectionery peanuts established on April 3, also was removed and replaced by a 7-percent export rebate. Prior to April 3, confectionery peanuts had received a 10-percent rebate. This action essentially enables peanuts to take advantage of the entire recent 30-percent devaluation of the Argentine peso and should improve their competitive position in world markets.

Argentine exports of peanuts in 1979/80 totaled 64,000 tons (shelled basis) and in 1980/81 are estimated at 55,000 tons.

COTTON

The PHILIPPINES is planning to improve and modernize its cotton industry and thereby make its products more cost competitive in world markets. To achieve this goal, the government has recently secured financing from various sources.

The Philippine Cotton Corporation (PCC) has secured a grant of $1.3 million from West Germany and a loan from the Philippine National Bank for $13.2 million. In addition, a study by the Asian Development Bank is assessing the feasibility of establishing a more viable cotton industry. As a result of this study, it is likely that additional financing from external aid sources will provide farm machinery and equipment, credit and input supplies to small landholders; increased support for cotton research and extension; product processing facilities, and provisions for overseas training and consultant services.

Increasing cotton production in the Philippine's is closely linked to the government's recent implementation of the Textile Industry Modernization Program designed to increase efficiency in the mills and thus make the industry's products cost competitive by 1985. A World Bank Loan totaling $150 million will be used to finance this program.

HORTICULTURAL AND TROPICAL PRODUCTS

In BRAZIL, sisal production in 1980 is estimated to have reached 205,000 tons, up 4 percent from 1979. The increase is attributed mainly to a favorable minimum price which stimulated producers to cut more fiber, including some from abandoned fields. Favorable weather also helped boost production.

The outlook for sisal production in 1981 is for a reduced crop of only about 190,000 tons because of drought.

Prospects for 1981 external demand are for a downturn in raw sisal exports, and a slight increase in baler twine exports.

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SOUTH AFRICA's 1981 dried fruit production is forecast at 32,385 tons, 4 percent less than last year. The January floods in the Western Cape did not seriously affect the drying industry and some deciduous fruits, orginally intended for canning, were used for drying when quality did not meet canning requirements. Consequently, dried peaches and pears will be sharply above last year's output levels. Dried peach production is forecast at 3,000 tons, up 13 percent, while dried pear production is forecast at 1,000 tons, up 11 percent. Only sultanas and prunes will be significantly below 1980 production levels. Sultanas, which make up about 70 percent of dried fruit production, are expected to drop 7 to 8 percent to 22,550 tons. Prune output is forecast at 1,585 tons, 5 to 6 percent below the 1980 level.

Due to the smaller crop and increased local demand, 1981 sultana exports are expected to be 20 percent smaller than the record 17,800 tons exported in 1980. Sultana exports comprised about 86 percent of South Africa's total dried fruit exports last year.

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The EUROPEAN COMMUNITY (EC) recently extended the present system of quotas and levies for imports of canned mushrooms through June 30 with the following changes:

Imports during the second quarter will be limited to 24 percent of the quantities for which licenses were granted during 1980 for EC members other than Greece, and 40 percent of the quantities imported during the first eight months of 1980 in the case of Greece.

The new quotas for major suppliers are as follows in tons:

China (Mainland	5,702
China (Taiwan)	284
Korea	1,207
Hong Kong	50
Spain	356
Others	19

In addition, EC regulations extend the validity of import licenses granted on Jan. 22 for canned mushrooms from March 31 to May 15.

NEW RELEASES OF FOREIGN AGRICULTURE CIRCULARS

World Crop Production Prospects Virtually Unchanged from a Month Ago, WCP 4-81

1981 USSR Crop Outlook, FG 13-81

USSR Grain Situation and Outlook, FG 14-81

World Grain Situation Outlook, FG 15-81

Reference Tables on the Major Producers and Consumers of Cottonseed and Cottonseed Products, FOP 7-81

World Oilseeds Situation and Outlook, FOP 8-81

World Cotton Situation, FC 9-81

World Poultry Supplies Gain but Beef and Pork Supplies Tighten, FLM 3-81

1980 World Tobacco Crop Down for Second Straight Year, FT 2-81

World Tomato Crops Decline, FVEG 3-81

U.S. Seed Exports; Marketing Year Through February and Comparisons With Previous Year, FFVS 4-81

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INTERNATIONAL WEATHER AND CROP SUMMARY, April 20 - 26

EUROPE--Below normal temperatures spread over most of the region halting crop growth in the northern countries and slowing it substantially in central areas. Above normal precipitation occurred in some southern and western areas, while relatively dry weather persisted in the northeastern two-thirds of the region. A late snowfall in England covered many crop areas to a depth of 2 to 3 cm. Light to moderate rain across northern Spain maintained good growing conditions, where some yield losses were incurred from earlier dryness. Abundant rainfall in southern Spain improved the outlook for spring crops, but winter grain yields are expected to be poor. Generous rains also fell in northern Italy, where winter grains may have escaped with relatively light yield losses due to earlier dryness.

EASTERN ASIA--Winter grains on the North China Plain received very little rainfall, and temperatures rose above normal, especially in the north where conditions remain on the dry side. Some grain areas in the northwest received beneficial rainfall, and crop prospects there remain better than

normal. Heavy rainfall in the south was limited mainly to the hills. Although rainfall at many lowland locations dipped below normal, water levels in streams were not receding very rapidly because of the wet weather upstream. In South Korea, only light rain fell, but crops should still have adequate moisture. Temperatures averaged somewhat above normal.

SOUTH ASIA--Lighter rainfall in Bangladesh gave fields a chance to dry out somewhat following the preceding week's heavy rains. Shower activity increased all along the southeastern coast of India. Some totals for the week ranged much above normal, but this weather pattern is fairly typical for the season. Dry weather favored winter grain harvesting in most of northern India and Pakistan, but wet weather in and near the hills, common at this time of year, may have caused some minor problems for maturing winter grains.

USSR--Temperatures failed to increase in the western two-thirds of the winter grain belt during the week. Conditions remained warm enough for winter grain growth only in the North Caucasus, the lower Volga Valley, and the southeastern half of the Ukraine. Crop development has been slower than normal during the past three weeks, and should now be lagging normal by about a week despit the favorable start in March. Rainfall surged above normal over much of European USSR. For the most part, the moisture was beneficial, but some locally heavy amounts in parts of the Ukraine disrupted fieldwork. No winter grain areas are short of soil moisture. Most of the New Lands received only light precipitation, but some portions had above normal amounts. With the onset of active planting in May, no severe soil moisture shortages should exist.

SOUTH AMERICA--Showers were widespread over much of the corn/soybean areas of Brazil and Argentina with heaviest weekly rainfall totals of over 100 mm occurring in western portions of Parana and Santa Catarina. Since soybean harvesting was nearly three-fourths completed in Brazil, heavy rain should not have posed a serious problem. Harvest delays due to wet fields could be expected, but significant rainfall of 25 to 75 mm in Rio Grande do Sul was also beneficial for soils, which have been relatively dry for several weeks. This moisture should benefit not only late-maturing soybeans, but also pending planting of winter wheat. In Argentina, northern and western portions of the corn/soybean area received 25 to 50 mm of weekly rainfall. Elsewhere, 5 to 25 mm of weekly rainfall occurred. Harvest delays also can be expected, but the impact on overall crop yields should not be significant. Locally, the most significant impact of excessive moisture on the crop at late growth stages would be to increase lodging, and perhaps, cause some pod shedding during heavy showers.

AUSTRALIA--Dry weather prevailed again this week in Australia's wheat belt. The planting season is usually during May and June, and topsoil moisture will be needed for seed germination. In West Australia, which produces about 25 to 30 percent of the wheat crop, nearly 80 percent of the annual rainfall occurs between April and September. Significant rainfall is needed in this area to support the wheat crop. In New South Wales, where nearly 40 percent of the wheat crop is grown, about 50 percent of the yearly rainfall occurs during the growing season. Preseason moisture has been variable in eastern wheat areas with February rainfall about normal in most crop areas of New South Wales and Queensland; however, March rainfall was well

below normal in northern New South Wales and Queensland. The amount and variability of rainfall is a major problem in Australia's wheat areas since much of the country is located in marginal zones. The frequency and effectiveness of frontal activity, which should begin soon over southwestern Australia, is important in providing crop moisture needs.

CANADA--Relatively dry, mild weather occurred throughout the Canadian Prairies. Scattered light showers fell early in the week producing less than 5 mm of rainfall in most locations. Some isolated areas, however, reported up to 10 to 25 mm of rain. Average maximum temperatures generally ranged from 15 to 20 degrees Celsius, while average minimum temperatures stayed mostly above freezing (0 to 5 degrees C), except early in the week when low temperatures fell below freezing (0 to -5 C) in eastern portions of the Prairie Provinces. Somewhat cooler weather returned to the Prairies by the weekend.

SOUTHEAST ASIA--Thailand's central zone received less than 10 mm of rain, while the eastern zone benefited from 10 to 50 mm of rainfall. In the north, another week of beneficial rainfall occurred with totals averaging from 10 mm in western areas to 50 mm in eastern areas. The monsoon season should become more active during the month of May.

NORTHWESTERN AFRICA--Above normal rainfall occurred in winter grain areas across Algeria and northern Morocco, and light amounts fell in Tunisia. Crops were too far along in the crop cycle to benefit much from the moisture, but maturation was probably not adversely affected.

MEXICO--Warm, sunny weather over most of the principal agricultural areas favored crop development and fieldwork. Heavy rains over the northeastern border replenished stock ponds and rangeland soil moisture. Some of the heavy showers benefited northeastern corn and grain sorghum which are nearing a stage of peak water use, but a few fields may have been washed out.

Rotterdam Prices and E.C. Import Levies:

Asking prices in U.S. dollars for imported grain and soybeans, c.i.f., Rotterdam, the Netherlands, compared with a week earlier and a year ago:

Item	April 28, 1981		Change from previous week	A year ago
	$ per m. ton	$ per bu.	¢ per bu.	$ per m. ton
Wheat				
Canadian No. 1 CWRS-12.5%.....	1/	1/	1/	1/
U.S. No. 2 DNS/NS: 14%.....	214.00	5.82	0	188.50
U.S. No. 2 DHW/HW: 13.5%.....	214.00	5.82	+5	1/
U.S. No. 2 S.R.W.....	202.00	5.50	+6	180.00
U.S. No. 3 H.A.D.....	236.00	6.42	+2	220.00
Canadian No. 1 A: Durum.....	1/	1/	1/	237.00
Feed grains:				
U.S. No. 3 Yellow Corn.....	165.50	4.20	-7	132.00
U.S. No. 2 Sorghum 2/.....	166.00	4.22	0	144.00
Feed Barley 3/.....	175.50	3.82	-1	138.50
Soybeans:				
U.S. No. 2 Yellow.....	317.50	8.64	-3	255.75
Argentine 4/.....	315.75	8.59	+2	1/
U.S. 44% Soybean Meal (M.T.)..	276.00	--	-1.00 5/	223.00
EC Import Levies				
Wheat 6/.....	70.55	1.92	-17	118.30
Barley.....	70.40	1.53	-1	107.55
Corn.....	71.15	1.81	-9	125.95
Sorghum.....	71.15	1.81	-2	114.45

1/ Not available.
2/ Optional delivery: U.S. or Argentine Granifero Sorghum.
3/ Optional delivery: U.S. or Canadian Feed Barley
4/ Optional delivery: Brazil yellow.
5/ Dollars per metric ton.
6/ Durum has a special levy.
Note: Basis May delivery.

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